

Message Text

LIMITED OFFICIAL USE

PAGE 01 LIMA 02396 01 OF 02 250733Z

21

ACTION IO-10

INFO OCT-01 AF-06 ARA-06 EA-06 EUR-12 NEA-09 ISO-00 EB-07

AID-05 COME-00 DIWY-01 LAB-04 TRSE-00 CIAE-00 DODE-00

PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01

SP-02 SS-15 NSCE-00 SSO-00 USIE-00 INRE-00 OIC-02

/107 W

----- 085299

O R 250649Z MAR 75

FM AMEMBASSY LIMA

TO SECSTATE WASH DC IMMEDIATE NIACT 4444

INFO USUN NEW YORK 533

AMEMBASSY VIENNA FOR UNIDO

USMISSION GENEVA

USMISSION EC BRUSSELS

AMEMBASSY TOKYO FOR USDEL CNR

USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 1 OF 2 LIMA 2396

FROM USDEL UNIDO II CONFERENCE

E.O. 11652: N/A

TAGS: UNIDO, AORG

SUBJECT: UNIDO-II - INSTITUTIONAL ARRANGEMENTS

1. SUMMARY: FOLLOWING IS STATUS REPORT OF CONFERENCE DISCUSSION
ON INSTITUTIONAL ARRANGEMENTS FOR UNIDO. MAIN AREAS OF
DISAGREEMENT AT CONCLUSION OF COMMITTEE II DISCUSSIONS NIGHT
OF MARCH 22 WERE (A) PROPOSAL TO CONVERT UNIDO INTO UN
SPECIALIZED AGENCY; (B) PROPOSAL TO ESTABLISH INDUSTRIAL DEVELOPMENT
FUND; (C) QUESTION OF SCOPE AND OBJECTIVES TO BE SERVED BY SYSTEM OF
CONTINUOUS INTERNATIONAL CONSULTATIONS IN INDUSTRIAL FIELD. DISAGREED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIMA 02396 01 OF 02 250733Z

LANGUAGE BEING FORWARDED TO DRAFTING COMMITTEE FOR POSSIBLE RESOLUTION. END SUMMARY.

2. SPECIALIZED AGENCY: COMMITTEE II REPORT LISTS FOLLOWING ALTERNATIVE PROPOSALS FOR DISCUSSION IN DRAFTING COMMITTEE (A) BY G-77 QUOTE FOR THIS PURPOSE IT IS RECOMMENDED TO THE GENERAL ASSEMBLY OF THE UNITED NATIONS THAT UNIDO SHOULD BE CONVERTED INTO A SPECIALIZED AGENCY. TO THIS END, THE SECRETARY-GENERAL OF THE UNITED NATIONS, IN CONSULTATION WITH THE EXECUTIVE DIRECTOR OF UNIDO, IS REQUESTED TO SUBMIT TO THE SEVENTH SPECIAL SESSION OF THE GENERAL ASSEMBLY, THROUGH THE ECONOMIC AND SOCIAL COUNCIL, DRAFT STATUTES OF A SPECIALIZED AGENCY FOR INDUSTRIAL DEVELOPMENT. END QUOTE; (B) BY GROUP B QUOTE IN ORDER TO IDENTIFY THE MOST APPROPRIATE INSTITUTIONAL ARRANGEMENTS FOR THESE PURPOSES THE SECRETARY GENERAL OF THE UNITED NATIONS IS REQUESTED TO ESTABLISH A GROUP OF HIGH LEVEL EXPERTS CHARGED TO PREPARE A REPORT ON THE NECESSARY INSTITUTIONAL ARRANGEMENTS, INCLUDING THE POSSIBILITY OF CONVERTING UNIDO INTO A SPECIALIZED AGENCY AND ITS FINANCIAL IMPLICATIONS, WITHIN THE CONTEXT OF THE STRUCTURAL CHANGES IN THE UNITED NATIONS SYSTEM WHICH ARE ENVISAGED TO BE DECIDED UPON AT THE SEVENTH SPECIAL SESSION OF THE U.N. GENERAL ASSEMBLY. THIS REPORT SHOULD BE SUBMITTED TO THE GENERAL ASSEMBLY AS EARLY AS POSSIBLE. END QUOTE

3. INDUSTRIAL DEVELOPMENT FUND: THE FOLLOWING TEXT PROPOSED BY G-77 AS AMENDED BY GROUP D WAS NOT AGREED BY GROUP B AND IS BEING FORWARDED TO DRAFTING COMMITTEE IN BRACKETS: QUOTE THE ESTABLISHMENT OF AN INDUSTRIAL DEVELOPMENT FUND IS CRUCIAL TO BOTH INCREASING THE RESOURCES OF UNIDO AND ENHANCING ITS AUTONOMY AND ABILITY TO MEET, PROMPTLY AND FLEXIBLY, THE NEEDS OF DEVELOPING COUNTRIES. THE FUND SHOULD BE ADMINISTERED IN SUCH A WAY THAT IT CAN ALSO TAKE CARE OF SEVERAL AREAS OF INDUSTRIAL DEVELOPMENT ASSISTANCE NOT ALREADY COVERED BY THE TRADITIONAL CONCEPTS OF TECHNICAL ASSISTANCE FOLLOWED BY UNDP. IT SHOULD THEREBY COMPLEMENT OTHER SOURCES OF ASSISTANCE AND COORDINATE ITS ACTIVITIES WITH THEM. WHEN DECIDING TO ESTABLISH THE FUND, HOWEVER, IT WILL BE NECESSARY TO SEEK THE FULL CO-OPERATION OF ALL COUNTRIES, BOTH INDUSTRIALIZED AND DEVELOPING, IN ENSURING THAT THE FUND ON A VOLUNTARY BASIS AND IN A FORM ACCEPTABLE TO THE PARTICIPANTS IN THE FUND RECEIVES AN ADEQUATE LEVEL OF RESOURCES IN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LIMA 02396 01 OF 02 250733Z

ORDER TO ACHIEVE ITS OBJECTIVES.

IN PARTICULAR, THE INDUSTRIAL DEVELOPMENT FUND SHOULD: (I) ENABLE UNIDO TO PARTICIPATE IN THE IMPLEMENTATION OF THE PROGRAM OF ACTION FOR THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER ; (II) ENABLE UNIDO TO IMPLEMENT THE RECOMMENDATIONS OF THE AD HOC COMMITTEE ON LONG-RANGE STRATEGY FOR UNIDO. (III) ENABLE UNIDO TO IMPLEMENT FIELD PROJECTS, PARTICULARLY THOSE OF NON-

TRADITIONAL NATURE, WITH SPECIAL ATTENTION TO THE NEEDS OF THE LEAST DEVELOPED AMONG THE DEVELOPING COUNTRIES, LAND-LOCKED COUNTRIES AND THE ISLAND DEVELOPING COUNTRIES; (IV) ENABLE UNIDO TO INTENSIFY ITS ACTIVITIES IN THE DEVELOPMENT AND TRANSFER OF TECHNOLOGY; (V) ENABLE UNIDO TO INTENSIFY ITS PROGRAMMES AIMED AT ESTABLISHING AND/OR INTENSIFYING CO-OPERATION AMONG DEVELOPING COUNTRIES AND BETWEEN DEVELOPING AND DEVELOPED COUNTRIES; (VI) ENABLE UNIDO TO STRENGTHEN ITS PROMOTIONAL ACTIVITIES AND TO ENSURE THE PROVISION OF FINANCIAL AID TO DEVELOPING COUNTRIES IN CONFIRMITY WITH THEIR NEEDS, PARTICULARLY THE PROCUREMENT OF INDUSTRIAL RAW MATERIALS AND REPLACEMENT SPARES. UNQUOTE

4. INTERNATIONAL CONSULTATIONS; PARAGRAPH ON INTERNATIONAL CONSULTATION AS TRANSMITTED LIMA 2292 AGREED EXCEPT THAT G-77 REFUSE ACCEPT SECOND SENTENCE BEGINNING WITH WORD QUOTE SPECIFICALLY UNQUOTE, WITHOUT INCLUSION AT END OF SENTENCE AFTER QUOTE TECHNOLOGIES UNQUOTE OF THE FOLLOWING PHRASE, QUOTE WITH A VIEW TO FORMULATING ON A CONTINUOUS BASIS AND WITHIN A DYNAMIC CONTEXT PROPOSALS FOR THE ATTAINMENT OF THE TARGETS SPECIFIED IN THE PLAN OF ACTION FOR THE SHARE OF THE DEVELOPING COUNTRIES IN WORLD INDUSTRIAL PRODUCTION UNQUOTE. WE HAVE BEEN RESISTING SUCH AN EXPANSION OF THE CONTENT OF THE CONSULTATIONS AND PARTICULARLY THE USE OF SUCH WORDS QUOTE FORMULATING PROPOSALS UNQUOTE FOR QUOTE THE ATTAINMENT OF THE TARGETS UNQUOTE. AT PRESENT WE HAVE FLOATED WITHIN GROUP B THE FOLLOWING COUNTER-PROPOSAL TO G-77 TEXT AS MAXIMUM US MIGHT BE ABLE TO ACCEPT: AFTER THE SECOND SENTENCE OF TEXTS ON CONSULTATIONS (LIMA 2292) INSERT A NEW SENTENCE AS FOLLOWS QUOTE THUS, ON A CONTINUING BASIS AND WITHIN A DYNAMIC CONTEXT, THESE CONSULTATIONS SHOULD CONTRIBUTE, WITHIN THE AUTHORITIES

AVAILABLE TO GOVERNMENTS, TO THE ATTAINMENT OF A TARGET IN THE PLAN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 LIMA 02396 01 OF 02 250733Z

OF ACTION FOR THE SHARE TO BE ACHIEVED BY THE DEVELOPING COUNTRIES IN WORLD INDUSTRIAL PRODUCTION UNQUOTE. AS DEPT WILL NOTE, THIS TEXT INTENDED TO MAKE CLEAR THAT US GOVERNMENT IS NOT IN A POSITION TO UNDERTAKE COMMITMENTS WITH RESPECT TO ACHIEVEMENT

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 LIMA 02396 02 OF 02 250812Z

12

ACTION IO-10

INFO OCT-01 AF-06 ARA-06 EA-06 EUR-12 NEA-09 ISO-00 EB-07

AID-05 COME-00 DIWY-01 LAB-04 TRSE-00 CIAE-00 DODE-00

PM-03 H-02 INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01

SP-02 SS-15 NSCE-00 SSO-00 USIE-00 INRE-00 OIC-02

/107 W

----- 085637

O R 250649Z MAR 75

FM AMEMBASSY LIMA

TO SECSTATE WASHDC IMMEDIATE NIACT 4445

INFO USUN NEW YORK 534

AMEMBASSY VIENNA FOR UNIDO

USMISSION GENEVA

USMISSION EC BRUSSELS

AMEMBASSY TOKYO FOR USDEL CNR

USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 2 OF 2 LIMA 2396

FROM USDEL UNIDO II CONFERENCE

OF THE LDC SHARE TARGET CONTAINED IN THE PLAN OF ACTION AND THAT THE
TARGET IS QUOTE TO BE ACHIEVED BY THE DEVELOPING COUNTRIES UNQUOTE

5. GENERAL TACTIC OF GROUP BE (AS INDICATED SPETEL) IS TO KEEP AT
LEAST QUESTIONS OF TRANSFORMATION INTO SPECIALIZED AGENCY AND
ESTABLISHMENT OF INDUSTRIAL DEVELOPMENT FUND IN UNAGREED STATUS PEND-
ING EXAMINATION BY HIGH-LEVEL NEGOTIATING GROUP ESTABLISHED BY CON-
FERENCE PRESIDENT (REPORTED SEPTEL) OF POSSIBILITIES OF PACKAGE DEAL
INVOLVING DISAGREED POINTS OF SUBSTANCE IN DECLARATION AND PLAN OF
ACTION ON THE ONEHAND AND INSITUATIONAL PORPOSALS ON THE OTHER. GROUP
B OBJECTIVE IS TO TRADE NON-OPPOSITION TO DECISIONS ON SPECIALIZED
AGENCY AND IDF FOR G-77 AGREEMENT NOT TO PUSH FOR INCLUSION IN DECLAR-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIMA 02396 02 OF 02 250812Z

ATION AND PLAN OF ACTION OF THEIR VIEWS ON DISAGREED SUBSTANTIVE
POINTS.

6. AS REGARDS INTERIM ARRANGEMENTS FOR UNIDO BETWEEN TIME
WHEN GA MIGHT TAKE DECISION TO TRANSFORM IT INTO SPECIALIZED

AGENCY AND ACTUAL COMING INTO EXISTENCE OF NEW ORGANIZATION, COMMITTEE II AGREED TO FOLLOWING TEXT QUOTE THE SYG AND THE EXECUTIVE DIRECTOR OF UNIDO ARE REQUESTED TO WORK OUT INTERIM ARRANGEMENTS REGARDING GREATER AUTONOMY FOR UNIDO. THE EXECUTIVE DIRECTOR IS REQUESTED TO REPORT TO THE IDB ON SUCH ARRANGEMENTS UNQUOTE. WE HAVE RESISTED AND WILL CONTINUE TO RESIST LISTING SPECIFICS OF WHAT SUCH GREATER AUTONOMY MIGHT CONSIST OF. (SYG'S REP HERE, SECRETARY OF ECOSOC, DIEGO CORDOVEZ HAS INDICATED SYG IS SATISFIED WITH THIS LANGUAGE.) OUTCOME OF DISCUSSION BETWEEN SYG AND EXDIRECTOR WILL OF COURSE DEPEND TO LARGE EXTENT ON SYG'S DETERMINATION TO PROTECT HIS PREROGATIVES AND MAINTAIN HIS RESPONSIBILITIES IN SUCH MATTERS AD UNIDO'S BUDGET AND PERSONNEL APPOINTMENTS. WE SEE NO POSSIBILITY OF OBTAINING BETTER

LANGUAGE ON THIS POINT THAN THAT WHICH EMERGED FROM COMMITTEE II. IN THIS CONNECTION A PREVIOUS PARAGRAPH PROPOSED BY G-77 STATES THAT QUOTE IT IS ESSENTIAL THAT UNIDO'S AUTONOMY, FUNCTIONS AND RESOURCES SHOULD BE INCREASED AND EXPANDED SUBSTANTIALLY UNQUOTE GROUP B HAS PROPOSED THAT THIS SENTENCE READ QUOTE IT IS ESSENTIAL THAT UNIDO'S ADMINISTRATIVE AUTONOMY, FUNCTIONS AND RESOURCES SHOULD BE INCREASED AND EXPANDED AND THAT UNIDO SHOULD BE PROVIDED WITH THE NECESSARY RESOURCES UNQUOTE. HOWEVER, THIS LANGUAGE RELATES NOT TO INTERIM ARRANGEMENTS BUT TO THE CONCLUSION (ADVANCED BY G-77) THAT UNIDO SHOULD BE CONVERTED INTO A SPECIALIZED AGENCY.

7. LANGUAGE ON INSTITUTIONAL ARRANGEMENTS AS IT EMERGED FROM COMMITTEE II ALSO CONTAINS STATEMENTS RE MATTERS THAT SHOULD BE COVERED IN STATUTES OF UNIDO IF CONVERTED INTO SPECIALIZED AGENCY, E.G. IDB SHOULD EXAMINE AND APPROVE UNIDO PROGRAM/BUDGET, LDC MEMBERSHIP ON IDB SHOULD BE INCREASED, A PROGRAM AND BUDGET COMMITTEE SHOULD BE ESTABLISHED, THE GENERAL CONFERENCE SHOULD BE CONVENED EVERY FOUR YEARS, AND IDB SHOULD ESTABLISH THE DESIRABLE RANGE OF GEOGRAPHIC DISTRIBUTION IN THE SECRETARIAT, KEEPING IN MIND DESIRABILITY OF LDC REPRESENTATION IN SECRETARIAT. SOME OF THE LANGUAGE ON THESE POINTS IS STILL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LIMA 02396 02 OF 02 250812Z

DISAGREED. OTHER POINTS DEAL WITH PERIPHERAL ASPECTS OF INSTITUTIONAL ARRANGEMENTS.

8. WHETHER GROUP B WILL CONTINUE TO HOLD OUT AGAINST RECOMMENDATIONS BY CONFERENCE ON SPECIALIZED AGENCY AND IDB SHOULD G-77 NOT BE PREPARED TO BE SUFFICIENTLY ACCOMMODATING TO MEET US REQUIREMENTS ON DISAGREED POINTS IN DECLARATION AND PLAN OF ACTION IS PROBLEMATIC. USDEL, AFTER STATING ITS RESERVATIONS AND POSING QUESTIONS ON BOTH THESE PROPOSALS EARLY IN COMMITTEE II DEBATE HAS NOT HAD TO SPEAK IN ENSUING DISCUSSIONS OF THESE POINTS TO DATE SINCE FRG HAS CARRIED BURDEN OF PRESENTATION OF GROUP B POSITIONS AS GROUP SPOKESMAN.

DEAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 25 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LIMA02396
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750103-0692
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750319/aaaaaqf.tel
Line Count: 278
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 03 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 APR 2003 by KelleyW0>; APPROVED <20 MAY 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNIDO-II - INSTITUTIONAL ARRANGEMENTS
TAGS: AORG, UNIDO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006